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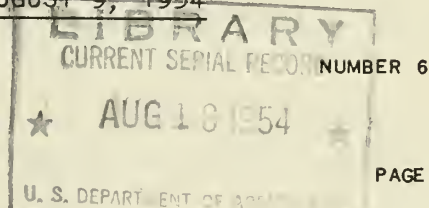
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Foreign CROPS AND MARKETS

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L A T E N E W S

Stocks of cotton held by the British Raw Cotton Commission are expected to be reduced to about 460,000 running bales by August 31, 1954, the date set for dissolution of the Commission. Half of this number has been sold for delivery between the end of August 1954 and May 1955 and the other half is expected to be still available for sale at that time. Total American-type unsold stocks as of June 30 were 95,000 bales of which 36,000 were United States growth. A receiver is to be appointed to liquidate the stocks of the Commission.

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The Government of India announced on July 24 its cotton policy for the 1954-55 season. The principal item of international interest is a reduction of the support price by Rs. 55 per candy (1.48 cents a pound). The new support for Jarila, Fine, 25/32-inch is Rs. 495 (13.32 cents). Similar reductions were effected for other varieties. The ceiling prices for all varieties remain unchanged.

Futures trading in the 1954-55 cotton crop was permitted with immediate effect. No further export allocations will be made for 1953-54 crop Bengal varieties.

FOREIGN CROPS AND MARKETS

Published weekly to assist the foreign marketing of U. S. farm products by keeping the nation's agricultural interests informed of current crop and livestock developments abroad, foreign trends in production, prices, supplies and consumption of farm products, and other factors affecting world agricultural trade. Circulation is free to persons in the U. S. needing the information it contains.

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INDONESIA'S RICE CROP SHARPLY ABOVE YEAR AGO

Milled rice production in Indonesia is now estimated officially at 7,100,000 metric tons, according to H. V. Geib, Agricultural Attache, American Embassy at Djakarta. This is larger than the 1953 crop of 300,000 tons, or 4.4 percent. The acreage will be up about 3.8 percent. The indicated increase in yield from 1,421 pounds of rough rice per acre in 1953 to an estimated 1,429 in 1954 is attributable for the most part to the use of better seed, particularly the Bengawan variety developed by the experiment station at Bogor.

Increases in planted areas come from new land brought into rice in North Sumatra and to some degree also in North Celebes. It is estimated that production in North Sumatra may amount to 550,000 metric tons of milled rice.

The prolonged drought of 1953 was for some time considered to be an important factor in holding down Indonesia rice production in 1954 because of the late planting of the crop. However, the rainy season of 1954 continued over a longer period than usual and apparently off-set most of the expected loss in production.

During 1954-55, priority will be given to the rehabilitation of abandoned rice fields in Southeast Borneo, followed by commencement of additional development in the area. Just how extensive this will be has not been announced as yet by the Indonesian Government, but with the limited funds available it is quite likely that rice production will not be materially increased.

The per capita consumption of rice in 1954 is estimated at about 194 pounds of milled rice, or slightly higher than that of 1953. It is assumed that with increasing availability of supplies this consumption will tend to rise.

INDONESIA: Rice (milled), estimated supply and disappearance, 1953 and 1954

Supplies and use	1953	1954
	Metric tons	Metric tons
Supply		
Stocks, January 1.....	331,000	320,000
Production.....	6,800,000	7,100,000
Imports.....	358,087	320,000
Total supply.....	7,489,087	7,740,000
Disappearance		
Consumption as food.....	6,828,640	7,040,000
Feed and waste.....	340,447	400,000
Stocks, December 31.....	320,000	300,000
Total disappearance.....	7,489,087	7,740,000
Population.....	78,400,000	80,000,000
Per capita consumption.....	87.1 kilos	88 kilos
Compiled from official sources and Embassy estimates.		

In calendar year 1953, a total of 358,000 metric tons of rice was imported into Indonesia, of which 50,400 metric tons came from the United States. During 1953, in the first 5 months, a total of 134,000 tons was imported, none of which came from the United States. While the Indonesian Government has been quoted in recent months as stating that imports would be limited to 100,000 to 150,000 metric tons, the importation of 134,000 in the first 5 months would seem to indicate that such statements were issued principally for bargaining purposes.

INDONESIA: Rice imports, by country of origin,
1953 and January-March 1954

Country of Origin	1953			January-March 1954		
	Metric tons	Million: pounds	1,000 dollars	Metric tons	Million: pounds	1,000 dollars
Italy.....	2,415	5.3	561	0	0	0
United States....	50,682	111.7	11,946	0	0	0
Angola.....	1,000	2.2	226	0	0	0
Iran.....	675	1.5	127	0	0	0
Burma.....	199,566	440.0	41,833	85,004	187.4	16,798
Thailand.....	54,510	120.2	12,685	22,829	50.3	4,378
Singapore.....	399	0.9	83	4	1/	1
Indochina.....	39,715	87.6	8,038	0	0	0
Other countries	9,125	20.0	2,145	0	0	0
Total.....	358,087	789.4	77,644	107,837	237.7	21,177

1/ Less than 50,000 pounds.

Source: Central Statistics Office

Even with the large increase in the production of 1954, if stocks are to be maintained at the level of 1953, then an import of some 320,000 tons for the whole year would be indicated. With imports having taken place of 134,000 by the end of May, this would leave about 186,000 to be imported from June to December.

Whatever the final figure of imports is determined to be, Indonesia will undoubtedly endeavor to purchase rice under most favorable terms.

U. S. ROUGH RICE
EXPORTS INCREASE

Total amounts of rough rice exported from the United States for the first 10 months of the current rice-marketing year (August-July) were 25 percent above those for the corresponding period a year ago. Practically all rough rice shown in the accompanying table has been for seed purposes, except exports to Canada and a part of the amounts to Venezuela.

United States: Exports of rough rice, by country
of destination, August-May 1953-54,
with comparisons

Country of Destination	August-July		August-May	
	1951-52	1952-53	1952-53	1953-54
	<u>Bags</u>	<u>Bags</u>	<u>Bags</u>	<u>Bags</u>
North America:				
Canada.....	415,840	586,284	557,182	544,524
Mexico.....	800	60	0	5,640
Guatemala.....	201	0	0	48
El Salvador.....	0	172	0	523
Honduras.....	0	0	0	606
Nicaragua.....	273	70	20	230
Costa Rica.....	0	0	0	97
Panama, Republic of.....	0	1,624	1,624	711
Cuba.....	23,562	43,333	37,119	132,945
Jamaica.....	0	0	0	254
Haiti.....	461	77	0	0
Dominican Republic.....	0	11	11	0
Total North America....	441,137	631,631	595,956	685,578
South America:				
Colombia.....	0	97	24	2,244
Venezuela.....	29,525	40,933	40,768	106,060
Ecuador.....	180	0	0	0
Total South America....	29,705	41,030	40,792	108,304
Belgium & Luxembourg....	0	0	0	265
Other countries.....	0	0	0	1,120
Total World.....	470,842	672,661	636,748	795,267

1/ Starting with January 1954, "other countries" includes shipments valued at less than \$500 each when the number of such shipments to a country in a given month is few.

Source: Bureau of the Census.

HONG KONG RICE IMPORTS AT LOW LEVEL

Owing to relatively large stocks of rather low-quality rice still on hand in Hong Kong, the Government of the Colony did not undertake to import rice during June. The commercial trade import quota remained at 5,000 metric tons (1 metric ton = 2,204.6 pounds) for the month, and this was distributed among the various import firms. The Hong Kong Government on June 15 announced that import permits would be issued freely for rice bran, which is used principally in the Colony for hog and poultry feed.

Rice imports from January through June 1954 came principally from Indochina, Macao, and Thailand, but the total amounts are materially below those for the corresponding period of last year. Strict controls on imports undoubtedly will continue until more of the low-grade stocks have been marketed.

CANADA ANNOUNCES INITIAL GRAIN PAYMENTS FOR 1954-55

Initial payments to Canada's western grain producers for the crop year beginning August 1, 1954 will be the same as in 1953-54 for basic grades of wheat, oats, and barley, according to a recent announcement of the Minister of Trade and Commerce. Thus payments per bushel in Canadian currency will continue at the previous rate of \$1.40 per bushel for deliveries of No. 1 Northern wheat, \$0.65 for No. 2 Canadian western oats, and \$0.96 for No. 3 Canadian western 6-row barley, all basis in store Fort William-Port Arthur. Initial prices to be paid for other than the basic grades were not announced.

The announcement of the proposed initial payments came somewhat later than usual as, in the past, the initial rates have been announced well in advance of the beginning of the crop year. The determination of initial payments this year was complicated by the uncertainties in the outlook for grain marketing and prices, together with a large accumulation of unsold stocks on hand. The problem has been especially serious for wheat, since the supply of that grain at the beginning of the crop year was at an all-time record and exports have been considerably below the level of the past 2 years.

Overseas clearances of Canadian wheat, flour exports, and wheat to the United States for domestic use and for milling in bond amounted to 209 million bushels for the first 10 months of the current season, compared with 298 million for the comparable period of 1952-53. Wheat supplies available for export and carry-over as of June 30, 1954 were estimated at 615 million bushels. That is the equivalent of the near-record production for 1953.

The announced initial rates for the basic grades of these grains are the same as for the four preceding crop years except for barley. A slight increase in the initial payment for that grain in 1951-52 has been continued. As in the past, the initial payments made growers of the Prairie Provinces and fringe areas of Ontario and British Columbia by the Canadian Wheat Board act as a floor price with any profits accruing from the Wheat Board's sales distributed to growers. Deficits, if any, are borne by the Canadian Government. No deficits have been incurred since the 1939-40 marketing year when a total deficit of about \$82 million was reported.

Initial payments are made only on grain delivered at elevators under delivery quotas as set by the Wheat Board. Quotas are allotted on the basis of a stated number of bushels per "specified acre." The specified acreage of a farm is the total acreage under wheat, oats, barley and rye, plus land in fallow. Final delivery quotas for the 1953-54 season were announced July 12, 1954 at 7 bushels per specified acre. This could be of any one of the grains or any combination, per specified acre. Production in excess of the permitted delivery quota is held by the grower at his own expense.

TURKEY INCREASES PRODUCER PRICES FOR 1954-CROP GRAIN

Prices guaranteed to Turkish producers for 1954-crop grain are substantially higher than those for the 1953 crop except in the case of ordinary white wheat, mixed wheat and so-called "siha" wheat. The new prices, varying according to grade, were established by Decree K-940 of the Council of Ministers effective June 15, 1954. They represent the prices which the Turkish grain marketing monopoly will pay producers for all grain delivered to it from the 1954 crop.

In commenting on the 1954-55 grain price schedule, L. L. Scranton, Agricultural Attache, American Embassy, Ankara, points out that the current objectives in fixing grain prices and premiums to producers are to expand total grain production, to increase production of durum wheat and feed grains relative to total grain production, and to provide price incentives for quality grains. Basic grain prices are fixed in relation to the basic price of mixed wheat which is set high enough to provide a favorable return to the producer in comparison with nongrain crops. The basic price for durum, premium white, and ordinary white wheat is higher than that of mixed wheat. The price of siha wheat, on the other hand, is lower than the basic price of mixed wheat. In relation to mixed wheat, the basic price for rye is 86.6 percent and for barley and oats 76.6 percent of the basic price of mixed wheat. In addition, premiums are provided for the first time for durum wheat, premium white wheat, malting barley, white barley, and oats.

Comparison of 1954 grain prices (including premiums) with those for 1953 indicates several significant increases. For wheat of top grades, increases are 10 percent for durum and 3 percent for premium white. Ordinary white, mixed, and siha prices remain unchanged. Rye increased from \$1.90 per bushel to \$2.27 per bushel, or 19 percent for the top grade. For highest quality barley, increases were 27 percent for malting, 22 percent for white, and 23 percent for siha and gray. Prices for top grades of oats were increased approximately 24 percent compared with last year's average level.

Purchase of grain is a Government monopoly handled by Toprak (Toprak Mahulleri Ofisi or Soils Products Office) which administers all grain marketing operations and related activities. Grain is purchased at nearly 400 Toprak buying stations throughout the country at fixed producer prices. Sales are made for internal use and for export. By law, the sale price must be set at the purchase price plus a maximum of \$0.97 per 100 pounds of grain to cover processing, transport, export costs, etc. However, sales below cost are permitted in distressed areas internally and also when necessary to meet competition in the export market. Directives further provide that export prices for soft wheat will be based on the Kansas City quotation for No. 2 hard winter wheat, basis f.o.b. Gulf-port. Directives also provide that the price of durum wheat will be at least \$14.00 per ton higher than the soft wheat price.

The rate of Toprak losses on the 1954 grain crop is expected to be higher even than in 1953 as a result of the producer price increases in the face of declining world market prices which will require even heavier export subsidies than those of last year. Losses on wheat alone for the 1953 crop were estimated at over \$40 million at the official exchange rate of TL2.80 per dollar.

Fixed producer prices for 1953-54 and 1954-55 Turkish grain crops
(In dollars per bushel 1/)

Grain	:Number : : of : : quality: : grades:	1953-54		1954-55				
		Bottom: grade:	Top: grade:	Basic		Premium:	Bottom: grade:	Top: grade:
				Bottom:	Top:			
				grade:	grade:			
Wheat								
Durum.....	33:	2.06:	2.92:	2.22:	2.92:	0.29:	2.51:	3.21
White, premium....	33:	2.06:	2.92:	2.22:	2.92:	0.10:	2.32:	3.02
White, ordinary....	41:	2.06:	2.92:	2.06:	2.92:	0 :	2.06:	2.92
Mixed.....	41:	2.00:	2.82:	2.00:	2.82:	0 :	2.00:	2.82
Siha 2/.....	41:	1.94:	2.72:	1.94:	2.72:	0 :	1.94:	2.72
Rye	31:	1.42:	1.90:	1.59:	2.27:	0 :	1.59:	2.27
Barley								
Malting	26:	1.10:	1.48:	1.20:	1.72:	0.16:	1.36:	1.88
White	26:	1.10:	1.48:	1.28:	1.72:	0.08:	1.36:	1.80
Siha and Gray.....	26:	1.05:	1.40:	1.28:	1.72:	0 :	1.28:	1.72
Oats	28:	-- :	-- :	0.86:	1.14:	0.05:	0.91:	1.19
Premium.....	31:	0.75:	0.99:	-- :	-- :	-- :	-- :	--
Siha 2/.....	31:	0.73:	0.93:	-- :	-- :	-- :	-- :	--

1/ Converted to dollars per bushel (60 pounds for wheat, 48 pounds for barley, and 32 pounds for oats) at the official exchange rate of TL2.80 to the dollar.

2/ Grain produced in plains of districts of Central Antalya, Finike, Serik, and Manavgat and the provinces of Adana, Icel, and Hatay.

SPAIN'S GRAIN HARVEST LARGE

The 1954 grain production in Spain is the largest since the Spanish Civil War, according to the American Embassy, Madrid. Current wheat forecasts place that crop at 165-180 million bushels, contrasting with the small wheat outturn of about 125 million bushels last year. With current wheat stocks at a comparatively high level, it appears that Spain's import requirements for the 1954-55 marketing season will be small, unless unfavorable conditions next fall or winter should point to a small 1955 production.

A crop the size of the currently expected one, plus substantial stocks now on hand, would more than cover normal requirements, placed at about 155 million bushels for recent years. Imports to supplement the small 1953 harvest were reported at about 38 million bushels for the 12 months ended June 1. Imports of other grains are not expected to be necessary during the 1954-55 season.

The wheat acreage this season is not significantly different from the 1953 acreage, but yield prospects have been sharply above the poor 1953 yields. Acreage of other grains are also at about the 1953 level. Barley production is forecast at about 95 million bushels, compared with 73 million bushels last year. Forecasts for rye, at 19 million, oats at 36 million, and corn at 28 million bushels all show moderate increases over the 1953 outturns.

As in the past season, all wheat and rye production must be delivered to the National Wheat Service at prices established by the Government. Farmers are allowed a small monthly storage fee for wheat and rye stored on the farm from November until April 20, the date when all wheat and rye must be delivered to the National Wheat Service. Barley, oats, and corn, however, may be sold freely.

ALGERIA ESTABLISHES TOBACCO EXPORT INCENTIVE PLAN

The American Consul General at Algiers reports that the Algerian Government has passed a law subsidizing exports. Eligible products are divided into two groups. The first group receive automatic subsidies at fixed rates. The second group is subsidized on a case basis. Leaf tobacco is in the second group.

Exports of leaf tobacco during the years 1948-50 averaged about 23 million pounds. In 1953, 27.8 million pounds were exported. The subsidy payments do not include tobacco shipped to France and French Colonies that take about 93 percent of the tobacco leaf exported. They seem to be designed to encourage the development of other markets which in the past have taken only 7 percent of total tobacco leaf exported.

ESTIMATE OF CANADIAN FLUE-CURED PRODUCTION

The American Embassy at Ottawa estimates the 1954 Canadian flue-cured tobacco crop at about 140 million pounds. This represents an increase over the 132 million pounds produced in 1953 but is not as high as was considered possible earlier in the year.

GREECE EXPECTS A RECORD TOBACCO CROP IN 1954

Reports from Athens forecast a 1954 Greek tobacco crop at a postwar record of 141 million pounds. The 1953 crop produced 135 million pounds. American grades of tobacco for 1954 are estimated at 57 million pounds, compared with 50 million pounds produced in 1953. Estimates place the European grades at 53 million pounds, compared to 50 million pounds produced in 1953.

These increases are the result of large increases in acreage planted and favorable weather. Acreage of tobacco increased from 217 thousand acres in 1953 to 264 thousand acres in 1954, a much larger increase than had been previously estimated. The increased plantings reflect the improved picture for Greek tobacco sales and prices.

AUSTRALIAN WOOL PRODUCTION ESTIMATES

The National Council of Wool Selling Brokers, and the Australian Wool-Growers' Council jointly estimate the 1954-55 output of wool in Australia at the record level of 1,282 million pounds.

In June the Commonwealth Bureau of Census and Statistics estimated the 1953-54 Australian wool clip at 1,244 million pounds, greasy basis, 16 million pounds less than the estimate previously published. The estimate for 1952-53 was also revised downward from 1,300 million pounds to 1,281 million pounds to conform with wool disposal data which recently became available. The latter estimate is now final.

Australian wool production, 1948-49 through 1952-53,
estimate for 1953-54 and 1954-55 forecast

Year	: Shorn	: Pulled	: Exported:	Total
	: Million Pounds, Greasy Basis		: on Skins	
1948-49	: 959	: 46	: 53	: 1,057
1949-50	: 1,028	: 52	: 62	: 1,142
1950-51	: 1,029	: 45	: 43	: 1,118
1951-52	: 999	: 36	: 45	: 1,080
1952-53	: 1,169	: 46	: 67	: 1,281
1953-54	: 1,138	: 49	: 57	: 1,244
1954-55	: 1,170	: 51	: 61	: 1,282

Source: Commonwealth Bureau of Census and Statistics.

The Pre-Christmas Auction will offer 285 million pounds for sale at Northern Australian markets and 279 million pounds at Southern markets. In total 564 million pounds will be offered for sale prior to Christmas this year compared with 553 million scheduled for sale during the same period of 1953. Actual sales at the Pre-Christmas Auction during 1953 totaled about 569 million pounds.

COLOMBIA FORBIDS IMPORTS OF FRESH EGGS AND FRESH OR FROZEN POULTRY MEAT

Under the provisions of a recent Decree the Ministry of Agriculture of Colombia has adopted the policy of refusing all requests for import licenses of fresh eggs and fresh or frozen poultry meat assertedly because of the danger of introducing into Colombia certain poultry diseases not now known to exist there. These diseases, as listed by the Ministry, are Laringotraqueitis Infecciosa, Bronchitis Infecciosa and Leucosis Aviaria (Neurolymphomatosis Gallinarum), all virus diseases. (A preliminary report on this situation was published in the July 26, 1954 issue of Foreign Crops and Markets)

The appearance of these diseases in Colombia, a spokesman of the Ministry stated would be a severe blow to the rapidly growing poultry industry here, particularly as Colombia lacks veterinary facilities and personnel for the diagnosis and control of poultry diseases. The decision of the Ministry to refuse import licenses for the above-mentioned products was given no publicity and was brought to light only after importers reported their requests for licenses to import fresh eggs and frozen chickens had been refused.

The above decision however, does not affect current regulations which authorize importations of hatching eggs and day-old chicks. Colombia has already placed orders for over 200,000 hatching eggs this year from the United States and during the first 6 months of 1954 has imported over 480,000 baby chicks compared to 444,000 for all of 1953. Such importations can be made from the United States only and from hatcheries and dealers participating in the National Poultry Improvement Plan that have been classified as Pullorum-Clean.

Another recent ruling by Colombia's Ministry of Agriculture also affects foreign exporters of preserved or canned products of animal origin. The Ministry has ruled that the term "crude products of animal origin" applies to all animal products which have not been submitted to heating or to some other processing method that guarantees their complete disinfection or sterilization. The Ministry has stated that as a number of processed meat products, even including some canned meat products, are not always completely free of contamination, all such products will in practice be considered crude products the importation of which must therefore receive the previous approval of the Ministry of Agriculture. Powdered and canned milk are specifically exempted from this requirement.

COLOMBIAN GOVERNMENT MAKES LOANS FOR PURCHASE OF IMPORTED LIVESTOCK

A Colombian Bank (Caja de Credito Agrario Industrial y Minero) has been authorized by the Government to make loans to individuals, firms or organizations for the purchase of domestic purebred bulls or imported livestock of all types. Thus it will be much easier for Colombian producers to finance purchases from the United States, a principal source of livestock for breeding purposes.

The Colombian Government has also allowed importers of purebred bulls special tax exemption to encourage importations and has increased from 10,000 to 25,000 pesos (\$4,000 to \$10,000) the maximum any individual may borrow from the bank for agricultural development purposes.

Loans to purchase livestock of all types may be made for up to 100 percent of the total value of such purchases. Special provision has been made to insure the bank against losses of livestock pledged as security for the farmers loans. The loan arrangements were made by Decree No. 2102 of July 12, 1954.

An additional provision of the decree, not related to the bank loan, was the exemption of the value of imported purebred bulls in figuring the value of an individual's taxable assets for a period of 5 years following the date of importation.

Shipments of cattle for breeding from the United States to Colombia during 1953 totaled 974 head compared with 431 a year earlier. Exportations have been large again this year and have consisted mostly of Brahman and Santa Gertrudis cattle from Texas and adjoining States.

CANADA'S GRAIN ACREAGE DOWN

Preliminary estimates of Canada's 1954 grain acreage indicate that there has been a substantial overall reduction in grain acreage from the 1953 level and also from the intended acreage, based on farmers' intentions to plant, as of April 30. A net reduction of 2.4 million acres from the 1953 total for the principal grains, wheat, oats, barley, rye, and mixed grains, is reported. Substantial reductions in wheat, barley, and rye are only partially offset by increases in oats and mixed grain acreage. The acreage taken out of grains appears to have gone into summerfallow, with an increase of about 2.5 million acres over the 1953 total in such use. This brings summerfallow to the highest figure of record.

Acreage estimates for 1954 are largely based on returns from the Dominion Bureau of Statistics' annual June survey of field crops in consultation with Provincial officials. Since seeding in many areas of the Prairie Provinces was unusually prolonged this year because of excessive rainfall and flooding, special supplementary surveys were conducted. Though results of these surveys have been taken into consideration in making current estimates, these estimates must be considered as preliminary only.

Because of substantial areas of flooding in certain parts of the Prairie Provinces, the extent of acreage abandonment may be considerably larger than usual. An indication of the effect of that and other factors affecting the outturn of this year's crops will be reflected in the Bureau of Statistics' first official forecast of the 1954 production scheduled for release August 13

Canada: Seeded acreage of principal grain crops and land in summer-fallow, 1954 with comparisons 1/

Province and year	Wheat	Oats	Barley	Rye	Mixed Grain	Summer-fallow
	1,000	1,000	1,000	1,000	1,000	1,000
	acres	acres	acres	acres	acres	acres
<u>Quebec</u>						
1953	11:	1,380:	56:	3:	202:	-
1954	11:	1,371:	53:	3:	209:	-
1954 as percent of 1953	103:	99:	94:	104:	103:	-
<u>Ontario</u>						
1953	2/ 765:	1,548:	171:	75:	1,017:	-
1954	2/ 741:	1,685:	144:	90:	1,130:	-
1954 as percent of 1953	97:	109:	84:	120:	111:	-
<u>Manitoba</u>						
1953	2,208:	1,412:	2,365:	135:	33:	2,845
1954	2,035:	1,510:	2,202:	84:	38:	3,100
1954 as percent of 1953	92:	107:	93:	63:	115:	109
<u>Saskatchewan</u>						
1953	16,100:	2,721:	2,745:	816:	23:	13,544
1954	15,540:	2,851:	2,313:	453:	36:	14,679
1954 as percent of 1953	97:	105:	84:	56:	156:	108
<u>Alberta</u>						
1953	6,340:	2,357:	3,489:	460:	81:	6,375
1954	5,862:	2,354:	3,053:	215:	120:	7,474
1954 as percent of 1953	92:	100:	88:	47:	149:	117
<u>Other Provinces</u>						
1953	89:	412:	85:	5:	89:	-
1954	78:	390:	90:	5:	100:	-
1954 as percent of 1953	87:	94:	105:	100:	89:	-
<u>Canada</u>						
1953	25,513:	9,830:	8,911:	1,494:	1,445:	22,764
1954	24,267:	10,161:	7,855:	850:	1,633:	25,253
1954 as percent of 1953	95:	103:	88:	57:	113:	111

1/ Preliminary estimates for 1954

2/ Includes winter wheat acreage remaining for harvest.

From reports of the Dominion Bureau of Statistics.

The outlook for grain crops in the Prairie Provinces varies widely. Good crop prospects are reported over much of Saskatchewan and western Manitoba, while deterioration of crops from excessive heat and dryness is reported from southern Alberta, west central and northwestern Saskatchewan. In Manitoba, at the same time, substantial areas were suffering from excessive moisture and flooding. Though the season has been generally late, crops in most areas of the Prairie Provinces were developing rapidly in late July. Crops were especially late in central and northern Alberta, excluding the Peace River area, but were reported coming on rapidly, at latest report.

The tentative estimate published by the Dominion Bureau of Statistics, July 28 places the current wheat acreage at 24,267,000 acres, compared with the 1953 total of 25,513,000 acres and the intentions to plant 24,587,000 acres. Unfavorable weather through much of the spring seeding season accounts for the smaller acreage actually sown. Trade sources had forecast a greater reduction from the plan than is now indicated.

Acreage of oats, at 10,161,000 acres, falls 5 percent below the plan, but is 3 percent above the unusually low 1953 acreage. It is the second smallest acreage seeded to oats in 40 years. Barley acreage shows the greatest reduction from the intentions figure. Now reported at 7,856,000 acres, the total is 12 percent less than the intended acreage which was about at the 1953 level. The reduction in barley acreage breaks the upward trend in barley since 1949.

Acreage of fall and spring rye is reported at 850,000 acres, slightly below the intended acreage, but only about half the large rye acreage last year. Reductions are substantial for both fall and spring rye, with the 1954 acreage of fall rye 65 percent of the 1953 fall rye figure and spring rye only 38 percent of the 1953 spring rye acreage. The present low total is the smallest rye acreage reported since 1946.

Mixed grain acreage of 1,632,600 acres is 13 percent above the 1953 acreage. Of that total 1.1 million acres is in Ontario. Corn acreage for grain is estimated at 418,000 acres, an increase of 15 percent compared with 1953.

WORLD TRADE IN MEAT INCREASED IN 1953 ^{1/}

A moderate rise in the quantity of meat moving from exporting countries and a sharp increase in imports by the United Kingdom were dominant features of international meat trade in 1953, as analyzed by the Foreign Agricultural Service.

^{1/} A more extensive statement soon will be published as a Foreign Agriculture Circular by the U. S. Department of Agriculture, Foreign Agricultural Service, Washington 25, D. C.

About 4.1 billion pounds of meat entered world trade in 1953 from the 45 countries for which detailed estimates have been prepared, compared with 3.9 billion a year earlier and 4 billion in 1951. International trade in meat during each of the past 3 years has been below the 1946-50 average of 4.5 billion pounds. These estimates exclude the relatively small transfer of meat from country to country in Asia and the trade of other relatively unimportant countries in other parts of the world.

The United Kingdom is by far the largest meat-importing country of the world and accounted for 76 percent of all meat entering international trade in 1953. Imports of 3.2 billion pounds in 1953 were almost 800 million greater than in 1952 and were moderately greater than the average for 1946-50; they were still below prewar. Although home production continued at a high level in 1953, per capita consumption, which was limited by rationing, was still considerably below prewar. A further rise in imports by the United Kingdom is probable during 1954 with the end of rationing, even though home production is expected to increase further.

Total meat imports by countries, other than the United Kingdom, during 1953 were about the same as a year earlier although there were considerable differences for individual countries. Imports declined in the United States and Canada as home production increased and prices of livestock and meat declined. Imports declined substantially in France as surpluses developed from the increased home production. Imports dropped significantly in Italy. On the other hand, there was a sharp increase in shipments to Western Germany to a level slightly above prewar. Imports by Greece, normally a relatively small importer, increased materially in 1953, mainly due to increased shipments of beef from the United States which were financed under the programs of the Foreign Operations Administration. Sweden stepped up its imports to a more normal level from the low reached during 1952. The Union of South Africa was a net importer. Russia increased its takings from the non-Communist world by a big percentage.

New Zealand was the leading exporter of meat in 1953, as in the previous year, accounting for 21 percent of the total entering international commerce. The exportable surplus in 1953 declined moderately from the record of a year earlier. New Zealand's exports continue large in 1954 with record numbers of livestock on farms and the large slaughter is continuing.

Denmark increased exports of meat over the previous year and the 1953 shipments were more than double the 1946-50 average. The large exports were made possible by the sharp rise in meat production, chiefly pork, since the end of World War II. The United Kingdom continues to take a large part of the Danish surplus in the form of bacon under its existing bulk-purchase contracts. Exports from Denmark accounted for over 18 percent of the world trade in meat during 1953.

MEAT 1/ INTERNATIONAL TRADE, AVERAGES 1934-38 and 1946-50, ANNUAL 1951-53

Continent and Country	Averages						1951						1952 2/						1953 2/					
	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports	Exports	Imports						
	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.	1,000 Lbs.						
NORTH AMERICA																								
Canada 2/4/	193,436	24,568	370,750	16,425	134,800	77,140	100,137	41,942	86,090	35,160														
Honduras	-	115	520	165	280	125	600	2/	365	2/														
Mexico	23	1,130	56,710	840	92,275	435	115,800	1,190	40,010	1,260														
United States 3/	116,600	262,000	409,300	218,600	131,000	542,800	148,950	501,517	149,435	438,350														
Cuba	82	7,302	10	23,795	30	29,960	2/	41,690	2/	2/														
Dominican Republic	-	410	5,785	530	3,995	610	2,270	5/	2,995	5/														
Total North America	310,100	295,500	843,100	260,300	362,400	651,100	367,800	586,300	278,900	475,200														
EUROPE																								
Austria	760	13,097	755	37,175	4,965	5,415	1,000	8,290	3,490	480														
Belgium	8,955	54,500	25,250	190,260	44,985	70,575	32,380	44,935	26,880	39,560														
Denmark 2/1/	573,200	900	355,530	690	812,100	443	720,620	26	750,745	1,330														
Finland	6,435	1,257	2,835	5,470	1,570	2,820	-	5/	-	2/														
France	4,698	51,958	42,700	111,945	141,150	99,710	61,940	70,770	65,030	46,325														
Germany, Western 8/	4,148	156,081	1,385	141,600	72,355	138,790	28,675	100,040	40,160	161,910														
Greece	-	2,689	-	32,105	-	13,825	-	4,625	-	14,800														
Iceland	6,248	8	1,245	10	1,995	-	5/	2/	2/	2/														
Ireland	70,881	40	53,320	-	106,790	-	168,900	-	151,990	-														
Italy	11,597	73,542	7,260	55,865	13,415	84,140	7,680	94,680	9,090	68,980														
Netherlands	85,571	21,974	29,335	59,370	129,010	28,610	142,025	19,240	57,800	16,800														
Norway	2,244	4,378	500	5,870	2,615	2,060	1,235	290	8,167	3,370														
Portugal	936	525	1,565	7,715	2,185	3,555	3,735	2,780	7,665	895														
Spain 10/	2,666	4,723	230	25,695	375	1,705	1,095	47,080	2/	2/														
Sweden 3/	31,097	14,914	505	30,110	4,690	35,500	1,340	6,220	21,110	35,390														
Switzerland	1,350	8,515	1,200	26,520	610	19,100	645	19,700	1,285	9,370														
United Kingdom 11/	28,008	3,455,910	2,025	3,093,475	2,295	2,345,460	2,255	2,401,965	2,650	3,158,305														
Yugoslavia	18,901	-	7,900	7/12/ 26,000	2,195	-	8,975	1,855	4,725	515														
Total Above	857,700	3,865,000	523,500	3,789,900	1,343,300	2,851,700	1,182,400	2,822,500	1,150,800	3,553,000														
Total Other Europe	143,244	5,337	41,600	141,800	110,900	40,000	124,200	39,200	164,400	40,600														
Total Europe	1,000,900	3,870,300	575,100	3,931,700	1,454,200	2,891,700	1,306,600	2,861,700	1,315,200	3,593,600														
U.S.S.R. (Europe and Asia) 14/	8,295	6,213	5/	67,200	5/	5/	5/	12,600	5/	20,000														

[illegible]

Foreign Agricultural Service. Prepared or estimated on the basis of official statistics of foreign governments, reports of United States Foreign Service officers, and other available information. In postwar years some international trade, particularly imports, may have been excluded because of lack of information upon which to base estimates. July 1954.

Meat shipments from Argentina were materially greater than the small shipments of 1952 but were around 45 percent below the postwar average. The surplus for export has declined significantly in recent years as more meat has been consumed locally and as cattle numbers on farms have increased. The supply for export during 1954 continues small as meat consumption remains large and prices are controlled.

Exports from Australia were at a high level in 1953 and are continuing large again this year.

Shipments from Uruguay in 1953 were somewhat greater than a year earlier but were low compared with both the prewar and the postwar averages. Production of meat during 1953 was above average (1946-50) but local consumption was large. Consumers have much larger incomes now compared with prewar and the Government has been controlling prices. Uruguay experienced a shortage of meat in the principal cities during parts of 1953 and similar shortages persist this year.

Poland increased exports of pork to the non-Communist world substantially during 1953 reflecting large domestic production and the need for foreign exchange. Shipments to Britain during 1953 totaled 133 million pounds on a product weight basis, consisting mostly of bacon. Over 13 million pounds of pork, mostly canned hams, were received in the United States. Exports during 1952 to those two countries totaled 104 million pounds, product weight basis, of which 95 million was shipped to the United Kingdom.

Ireland's meat shipments last year continued at a very high level. Most of the exportable surplus was shipped to the United Kingdom. Shipments to the United States dropped sharply from the high level of 1952.

Exports from the United States last year continued at about the level of a year earlier but were materially below the 1946-50 average, when much meat was sent abroad under Government foreign aid programs. Exports of pork during 1953 were considerably below a year earlier, partly because of the relatively high pork prices in the United States. However, beef exports were larger than in 1952 mainly because of increased shipments under foreign aid programs.

WHOLE SALE BUTTER PRICES DOWN IN U.K.

The British Ministry of Food has announced that it is selling its stocks of top grade butter for 49.1 cents per pound; this is a reduction of 2.5 cents from the previous price.

On the same day the Ministry made the announcement, the Board of Trade released a list of eligible importers of United States butter, the sale which was recently negotiated through the U.S. Foreign Operations Administration from Government stocks.

SWISS TO INCREASE CHEESE PRODUCTION

With stocks of cheese down considerably as a result of (1) liquidation at a loss through inland sales by the Swiss Cheese Union, (2) the forced reduction of 4.4 million pounds in the production of cheese during the May - July period, and (3) increasing stocks of butter, the Swiss Government has decided to allow an increase in the production of cheese during the second half of the summer season ending October 1, 1954. The expected output will be about equal to the production during the same period in 1953. The increase will undoubtedly result in the stepping up of efforts to sell Swiss cheese abroad.

Stocks on hand on May 1, which is the beginning of the milk year in Switzerland were 22.9 million pounds of cheese, as compared to 11.7 million in 1953, and 6.1 million pounds of butter against less than 2.2 million in 1953.

The demand for low-priced cooking and melted butter (reported in Foreign Crops and Markets of June 14, 1954) was strong and by mid-July about 1.8 million pounds of fresh cooking butter and 1.3 million pounds of melted butter had been sold. However, these subsidized sales just covered the increase in butter production.

The feed and weather situation points to a continuing heavy production of milk. The feed situation is reported as excellent and green feed is abundant. Hay reserves are expected to be large. Furthermore, while all cattle numbers decreased, the number of milk cows increased by 3,000 head. As a result, it appears certain that the subsidized sale of butter will be continued. The Federal Council will determine before November 1, when the producer price for milk is to be fixed, what further credits "Butyra", the butter supply cartel, will need for winter sales of butter. It is certain, however, that the cost of the subsidy will be considerably greater than the Government originally estimated.

UNICEF GRANTS U. S. MILK FOR TANGANYIKA FAMINE RELIEF

The United Nations Children's Fund has made an emergency allocation of 2.4 million pounds of nonfat dry milk solids to relieve famine conditions in the Bodoma and Mpwapwa districts of the Tanganyika trust territory; the milk will be shipped from the United States from surplus stocks.

The central region of Tanganyika has been suffering the worst famine since 1919. Prolonged drought between September and April and destruction by worms and insects have resulted in crop failure and a reduction in animal stock through famine mortality. UNICEF officials estimate that it will take 8 months to combat ill effects and reduce mortality caused by malnutrition among 100,000 women and children in the area.

HONDURAS FARMERS IN COOPERATIVE MANUFACTURE OF CHEESE

The farmers around the small community of Olanchite, in the State of Yoro in Honduras, recently found that there was little market for the increased milk that had resulted from their herd improvement and better dairying practices. What milk surplus that could be sold, even in neighboring towns, brought no more than 3 cents per quart. Fourteen Olanchite farmers finally banded together, obtained a building, bought cheese-making equipment, hired a cheesemaker and started cheese production. This month the venture turned into a substantial business which has approximately doubled the farmers' income as compared with the direct sale of milk.

The milk which cannot be used in fluid form in the community is now being processed into cheese. About 100 pounds of cheese a day is being made from the surplus production of some 400 cows. All of the cheese finds a ready sale in the city of La Ceiba on the north coast. La Ceiba, which would take little if any of the fluid milk from Olanchito, is asking for even more of the local white cheese, cream cheese and cheddars being turned out by the small factory.

The Honduras Extension Service assisted in the project by giving marketing information, helping to train the plant manager, advising on the purchase of equipment and insisting that proper sanitary methods, including pasteurization, be followed.

EGYPT'S COTTON EXPORTS INCREASING

Exports of raw cotton from Egypt between September 1, 1953 (beginning of Egypt's crop year) and June 30, 1954, have been 6 percent higher than in the corresponding period last year, according to A. Abdel Gawad, American Embassy, Cairo. Exports of extra long staple cotton (Karnak and Menoufi) showed an increase of 21 percent, those of Giza 30 and 31 showed an increase of 7 percent, while those of Ashmouni and Zagora showed a decrease of 15 percent compared with the corresponding period last year.

Exports of 1,208,000 bales (of 500 pounds gross) during August-April 1953-54 were 3.6 percent lower than the total for a similar period a year ago. Official monthly export statistics are available only through April 1954.

The recent authorization by the Egyptian Cotton Commission of the exportation of all varieties which had previously been banned from export has resulted in increased activity on the Alexandria spot market and in increased purchases by local mills. The Commission has decided to distribute 75 percent of the profits from last year's cotton sales and is now in process of distributing to growers a sum of 2 tallaris per kantar (1.15 cents a pound).

EGYPT: Cotton exports by countries of destination;
averages 1935-39 and 1945-49; annual 1951 and
1952; August-April 1952-53 and 1953-54

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Averages		1951	1952	August-April	
	1935-39	1945-49			1952-53	1953-54
	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000	: 1,000
	: <u>bales</u>	: <u>bales</u>	: <u>bales</u>	: <u>bales</u>	: <u>bales</u>	: <u>bales</u>
Austria.....	1/ 23.7	2/ 2/	9.5	34.4	23.8	17.2
Belgium-Luxembourg..	17.8	17.0	6.8	21.8	18.3	18.7
Czechoslovakia.....	49.9	52.5	36.6	58.6	41.1	34.9
France.....	238.7	161.9	112.6	291.2	220.4	160.1
Germany.....	147.2	2/	69.5	127.6	112.5	111.1
Hungary.....	18.3	2/	22.9	26.8	20.5	18.6
Italy.....	105.2	163.8	112.7	170.1	146.4	101.4
Netherlands.....	5.5	1/ 39.5	10.0	47.2	34.7	19.9
Poland.....	31.8	16.2	8.0	27.2	22.5	3.1
Rumania.....	3/ 47.7	2/	34.9	4.6	3.1	7.9
Spain.....	25.1	25.4	62.2	66.4	52.5	30.5
Sweden.....	12.8	17.0	2.3	17.7	13.7	7.5
Switzerland.....	71.5	33.4	28.1	67.5	50.3	60.4
United Kingdom.....	592.3	367.5	68.3	77.7	42.3	179.7
Yugoslavia.....	2/	2/	2.0	17.6	7.3	11.3
China.....	24.2	2/	16.5	60.9	35.1	44.7
India.....	98.8	255.8	110.9	213.7	139.8	188.3
Japan.....	143.4	2/	40.3	84.6	63.5	71.4
United States.....	49.5	89.1	92.3	84.4	69.6	53.9
Soviet Union.....	2/	1/ 129.4	38.5	104.2	61.3	0
Other Countries.....	38.9	82.4	23.7	123.0	74.2	67.4
Total.....	1,742.3	1,450.9	908.3	1,727.2	1,252.9	1,208.0

1/ 3-year average. 2/ Included in "Other Countries".

3/ 4-year average.

Source: Monthly Summary of the Foreign Trade of Egypt and official reports.

There have been no official acreage estimates since the ones that were reported in Foreign Crops and Markets of July 12, 1954. Reports from Upper and Lower Egypt indicate that conditions are generally favorable and the crop is growing well. The leafworm attack has been light and kept well under control. Favorable yields are indicated at the present time.

COTTON EXPORTS FROM
BRAZIL CONTINUE HEAVY

Exports of cotton from Brazil during June 1954 were estimated by trade sources at 132,000 bales (500 pounds gross), compared with 13,000 in June 1953, according to Glenn A. Ruggles, Agricultural Officer, American Consulate, Sao Paulo. Exports for the 11-month period August-June 1953-54 totaled 1,263,000 bales compared with only 121,000 during the corresponding period of 1952-53. Exports in 1952-53 were exceptionally low because the Government's fixed prices were above the world market. The heavy export movement started after a new schedule of lower export prices were announced in July 1953.

BRAZIL: Cotton exports by countries of destination; averages
1935-39 and 1945-49; annual 1951 and 1952;
August-June 1952-53 and 1953-54

(Equivalent bales of 500 pounds gross)

Country of destination	Year beginning August 1					
	Averages		1951	1952	August-June	
	1935-39	1945-49			1952-53	1953-54
	1,000	1,000	1,000	1,000	1,000	1,000
	bales	bales	bales	bales	bales	bales
Canada.....	4.2	16.2	1/	2/	2/	18.6
Belgium.....	30.0	70.7	1/	0	0	48.2
Finland.....	2.3	10.2	14.5	0	0	0
France.....	89.5	64.1	47.4	4.3	1.5	124.6
Germany.....	285.6	.6	59.1	4.2	.4	220.4
Italy.....	39.3	110.5	2.8	0	0	106.8
Netherlands.....	33.3	43.3	1.1	0	0	59.8
Poland.....	17.2	49.2	2.6	0	0	0
Portugal.....	26.4	11.2	5.4	2.1	0	11.9
Spain.....	2.8	136.3	3.9	29.9	29.9	58.5
Sweden.....	5.2	48.5	3.7	.5	.2	22.5
United Kingdom....	240.5	336.8	107.7	69.3	67.1	205.2
China.....	81.7	79.2	31.7	0	0	104.1
India.....	0	7.5	1/	0	0	1.4
Japan.....	241.7	.9	54.8	24.9	13.0	212.0
Chile.....	0	11.5	1.6	8.7	8.7	9.4
Colombia.....	.7	17.8	1/	0	0	1.6
Uruguay.....	0	7.2	1/	.7	.7	14.7
Australia.....	0	25.9	8.0	0	0	9.0
Other countries....	11.7	68.5	3.1	0	0	34.3
Total.....	1.112.1	1.116.1	347.4	144.6	121.5	1.263.0

1/ If any, included in Other Countries. 2/ Less than 50 bales.

Source: Comercio Exterior do Brazil and U. S. Foreign Service reports.

The harvest of the 1953-54 cotton crop in South Brazil has been completed and the crop is estimated at about 1,079,000 bales, including nearly 896,000 in the State of Sao Paulo. The 1952-53 South Brazil crop of 1,170,000 bales included 969,000 for Sao Paulo. The 1953-54 total for all Brazil is thus revised to 1,400,000 bales compared with 1,560,000 in 1952-53. Cotton classed up to July 14 in the State of Sao Paulo was reported at 749,000 bales. The quality of the cotton that was picked before the start of the May rains (about two-thirds of the crop) was well above average, while the cotton remaining in the fields was drastically lowered in quality by the unseasonable weather and insect activity. It is estimated that 15 to 20 percent of the cotton picked after the rains will be Type 7 (Strict Low Middling as to color, Low Middling as to leaf) or below.

The outlook in North Brazil is for an excellent 1954-55 crop of about 575,000 bales as compared with 321,000 for the 1953-54 crop, an increase of 79 percent. Estimates of the current crop, however, were made about a month before harvesting normally begins. There has been very little leafworm activity and only moderate pink bollworm infestation in this area.

NEW ZEALAND POTENTIAL MARKET FOR U.S. LINSEED OIL

A new market for United States linseed oil may be available with the end of linseed crushing in New Zealand, according to Economic Officer Philip C. Habib, American Embassy, Wellington.

Announcement has been made that the production of linseed oil will cease in New Zealand, with the closing down of the only crushing plant in the country. Thereafter, it is intended to export domestic seed for crushing elsewhere. This means that in the future New Zealand will depend exclusively on imports of linseed oil to meet local needs. Up to now, imports of oil were made to supplement local production with total supplies pooled and sold to users at a fixed price. This price, while higher than imported oil prices, permitted the Government to foster and continue to protect the local industry sufficiently so as to maintain some domestic production.

Prices of raw linseed oil in New Zealand will be adjusted from the current wholesale price of about 30 cents per pound (19 s. l. d. per gallon) to lower levels as soon as existing stocks amounting to 1,350 to 1,575 short tons are taken up by local users within the next 4 or 5 months. At present it is reported that raw linseed oil from United Kingdom is available at about 14 cents per pound (9s. per gallon) landed in New Zealand.

Imports of linseed oil by New Zealand will be much greater in 1954 than last year. In 1953 imports totaled about 158 tons, coming mostly from India, with small quantities from the United Kingdom and Australia. Imports of oil were small in 1953 because large quantities of locally produced oil were available. In 1954 imports, coming chiefly from the United Kingdom, are expected to reach about 1,800 tons.

There is a possibility of selling United States linseed oil in New Zealand even though import licenses are required. It is believed that if United States oil is cheaper than oil from soft currency sources, necessary licenses will be granted.

For linseed oil in containers larger than one Imperial gallon the British Preferential tariff rate is 3 percent, and the Most-Favored-Nation rate is 6d. per gallon (about .7 cents per pound) plus a surtax of 9/40ths of the rate of duty.

INDIA PROPOSES SECOND FIVE-YEAR PLAN TO INCREASE COCONUT PRODUCTION

The Indian Central Coconut Committee (ICCC) has prepared, for inclusion in the Second Five-Year Plan (1956-61) of the Government of India, a proposed plan to make India self-sufficient in coconut requirements by increasing coconut cultivation, according to K. W. Martindale, American Consulate General, Madras. The new 5-year scheme includes short-and long-term measures for increasing coconut production, provides for better statistics, suggests expansion of the coconut research stations, and proposes regulated marketing through producers' cooperative societies. Costs of the program, estimated at Rs 14,250,000 (nearly U. S. \$3 million), would be borne partially by the Indian government and partially by major coconut producing states.

An output target of 4,257 million nuts annually is set for the end of 1960-61, an estimated 800 million more nuts than would be produced by the present rate of growth. Although 3,400 million coconuts were produced in India in 1952, over one million coconuts were imported mostly from Ceylon, supplemented by imports of 19,884 long tons of copra and 24,366 tons of coconut oil. Production at the present rate of growth based on the 1951 output would be an estimated 3,456 million coconuts at the end of 1960-61. However, taking into account increase in population and increased needs of the Indian soap industry, estimated demand for coconuts and coconut products at the end of 1960-61 would be 4,257 million nuts.

The ICCC's proposed short-term program for stepping up production will entail the operation of demonstration plots to prove the efficiency of improved methods of manuring and cultivation, doing intensive educational work among growers, and providing an effective and extensive plant protection service. The bulk of the coconut growers of India, on whom will fall the ultimate burden of stepping up the production, are small scale cultivators. Pests and diseases control measures, recommended by the ICCC, will be encouraged, particularly in Travancore-Cochin State where the leaf and root diseases are responsible for considerable reduction in the yield of the coconut palms. Long-term measures will include steps to increase the area under coconut and to continue to supply quality coconut seedlings to growers.

Definite provisions for securing correct statistics on the coconut industry in India and for expansion of the two research stations are included in the proposed Second Five-Year Plan. Expenditures for these would be borne entirely by the Central Government; the balance of the costs would be shared equally by the Indian Government and the states.

Regulated marketing of coconuts and coconut products is recommended to assure growers of a better price for their produce. A cooperative system of markets would be established for copra with 3 or more regulated market centers in each of the major coconut producing states. With each central market would be producers' cooperatives affiliated with marketing societies that would assure the grower of sufficient credit facilities and a fair price for his product based on quality. Furthermore, by utilizing producers' cooperatives, kilns, market yards, and warehouse facilities could be made available.

Over one-half million quality seedlings, at a cost of about 10 cents each, are now distributed annually to growers under the operations of the first Five-Year Plan.

MALAYAN PALM OIL, PALM KERNEL EXPORTS UP

Malayan exports of palm oil and palm kernels in the first quarter of 1954 totaled 13,117 and 3,563 short tons, respectively, or moderately above exports in the corresponding quarter of 1953, reports Jack R. Johnstone, Agricultural Economic Officer, American Consulate General, Singapore. Malaya imported 129 tons of palm oil during January-March but no kernels.

Major destinations for the January-March 1954 palm oil exports were India, the Netherlands, and Canada, while nearly all of the kernels went to the Netherlands, Denmark and Western Germany. Total palm oil exports in 1953 were 54,162 tons and palm kernels 14,430 tons. (See Foreign Crops and Markets of May 3, 1954, page 399.)

Production of palm oil and palm kernels in Malaya during the first quarter of 1954 was 13,990 and 3,820 tons, respectively, as compared with 14,240 and 3,760 tons during the preceding 3-month period. End-of-quarter stocks were reported at 6,650 tons of palm oil and 1,690 tons of palm kernels.

MALAYA'S COPRA AND COCONUT OIL EXPORTS INCREASE

Malaya's exports of 23,127 long tons of copra and 19,379 tons of coconut oil during January-March 1954, were substantially larger than the respective exports in the first 3 months of 1953, reports Jack R. Johnstone, Agricultural Economic Officer, Singapore. Although imports of both copra and coconut oil in the same period were double 1953 receipts, net exports on a copra equivalent basis amounted to 19,282 tons, or an increase of more than one-third. In 1953, total net exports, copra equivalent, were 86,722 tons (see Foreign Crops and Markets of May 3, 1954, page 495).

Table 1 - MALAYA: Copra exports and imports, average 1935-39, annual 1952-53, and January-March 1953-54

(Long tons)

Country	: Average :	1952	1953 1/	January-March	
	: 1935-39 :			: 1953 1/ :	: 1954 1/ :
Exports					
Austria.....	-	550	-	-	-
Czechoslovakia.....	652	-	-	-	-
Denmark.....	2,050	2,200	6,870	2,800	4,050
France.....	8,578	8,080	300	-	2,550
Italy.....	11,322	2,150	4,516	400	1,300
Netherlands.....	28,956	6,650	11,394	1,250	4,340
Norway.....	4,703	1,300	1,550	1,150	300
Poland.....	3,358	1,600	2,000	-	-
Spain.....	-	5,074	3,639	-	561
Sweden.....	1,850	8,000	10,400	2,700	3,850
United Kingdom.....	57,750	16,167	7,440	2,775	100
Western Germany.....	46,384	4,650	11,306	2,000	2,547
Other Europe.....	2,825	26	-	-	2,447
India.....	535	1,325	2,802	-	547
Japan.....	2,483	788	3,269	1,732	-
Other Asia.....	959	1,533	-	-	250
Other countries.....	19,286	1,400	2,467	434	285
Total.....	191,691	61,493	67,953	15,241	23,127
Imports					
British possessions....	10,617	9,875	5,231	1,229	721
Indonesia.....	105,500	78,642	68,907	14,150	31,612
Other countries.....	2,134	797	3,566	511	1,902
Total.....	118,251	89,314	77,704	15,890	34,235
1/ Preliminary.					

1/ Preliminary.

Compiled from official statistics.

Europe continued as the major outlet for Malayan copra with the bulk of the exports going to the Netherlands, Denmark, Sweden, France, and Western Germany. Coconut oil exports to Europe were substantially larger than in January-March 1953 as were exports to India, China and Burma. On the other hand, copra imports from Indonesia, the major source, were up sharply.

The wholesale price of sun-dried copra in Singapore rose from M\$29.25 per picul of 133.3 pounds (U. S. \$162 per long ton) on April 5, 1954, to M\$34.00 (\$189) by the end of June. Coconut oil prices, f.o.b., Singapore, ranged from M\$53.00 per picul (13.1 U. S. cents per pound) to M\$57.00 (14.1 cents) during the same period.

Table 2 - MALAYA: Coconut oil exports and imports, average 1935-39, annual 1952-53, and January-March 1953-54

(Long tons)

Country	Average: 1935-39:	1952	1953 1/	January-March 1953 1/	1954 1/
Exports					
France.....	100:	328:	-	-	-
Italy.....	20:	5,382:	6,407:	1,352:	2,297
Netherlands.....	822:	9,605:	9,392:	1,710:	2,204
Sweden.....	185:	776:	2,115:	-	1,739
United Kingdom.....	8,857:	1,657:	291:	291:	-
Western Germany.....	100:	2,361:	7,492:	896:	2,951
Other Europe.....	190:	135:	-	-	990
Burma.....	3,908:	22,317:	9,700:	1,227:	2,160
China.....	2,028:	-	5,781:	-	2,700
Formosa.....	-	512:	2,007:	-	639
Hong Kong.....	1,391:	3,155:	1,160:	173:	124
India.....	22,500:	11,380:	13,130:	2,176:	2,756
Indonesia.....	3,119:	371:	-	-	-
Iraq.....	-	705:	-	-	-
Pakistan.....	-	21:	-	-	275
Egypt.....	3,295:	3,551:	653:	-	310
Union of South Africa.....	325:	638:	1,122:	-	-
Other countries.....	269:	3,318:	2,160:	1,678:	225
Total.....	47,109:	66,212:	61,410:	9,503:	19,370
Imports					
British possessions.....	16:	581:	612:	105:	137
Indonesia.....	328:	10:	-	-	87
Other countries.....	229:	508:	20:	-	-
Total.....	573:	1,099:	632:	105:	224

1/ Preliminary.

Compiled from official statistics.

CANADA'S FLAXSEED ACREAGE UP ONE-FOURTH; SOYBEAN ACREAGE AT NEW HIGH

Canada's 1954 flaxseed acreage is estimated preliminarily at 1,206,000 acres with 1,177,000 acres in the Prairie Provinces. While this estimate is one-fifth less than farmers' intentions as of April 30 had indicated, nevertheless, it represents an increase of one-fourth from the 1953 flaxseed area of 972,000 acres.

Soybean acreage has established a new record for the eleventh successive year. The preliminary estimate places this season's plantings at 254,000 acres or 18 percent above the 1953 area of 216,000 acres.

TRADE DEVELOPMENTS IN FOREIGN COUNTRIES

Europe's "Green Pool" Plan to Work Through OEEC -- At the latest conference on the long -- considered plans for a European "Green Pool," or integration of the agricultural markets of Western European countries, representatives from 17 countries agreed to work through the Organization for European Economic Cooperation (OEEC) rather than create an independent institution. OEEC is to be asked to establish a ministerial committee on food and agriculture. This committee would meet at least twice a year to examine agricultural problems and would be headed by a director responsible to the Secretary-General of OEEC.

New Swedish Law Concerning Agricultural Prices in 1954-55 -- The Swedish annual agricultural price law for 1954-55 provides for reduced prices for grains, oilseeds, sugar beets, starch potatoes, milk and meat. Appropriations for regulation of agricultural prices in the coming year amount to \$39 million, 95 percent of which is intended for milk subsidies. Furthermore, the national debt office has been authorized to extend credits up to \$37 million to the newly established semi-Governmental Swedish Grain Association which is to regulate the grain and oilseed trade. A Government monopoly formerly performed this function.

In the future farmers will carry possible losses on breadgrain exports. The Association will therefore equalize domestic and foreign market prices by means of a milling fee on all breadgrains purchased by the mills. A somewhat similar arrangement will be in effect for oilseeds.

Colombia Decrees Crop and Livestock Insurance Plan to Aid Agriculture -- The Colombian Government has announced a crop and livestock insurance plan by Decree No. 2101 of July 12, 1954. Under the plan, the Caja de Credito Agrario Industrial y Minero (Agricultural, Industrial and Mining Credit Bank) is authorized to take the following measures to minimize agricultural risks and to stimulate investment in agricultural enterprises:

1. Establish an insurance section with the functions of providing a limited amount of insurance against the risks of loss or deterioration of crops and livestock, including those pledged as security by farmers in order to obtain loans, and the partial assumption of all risks of the Caja's own operations.
2. Increase from \$4,000 to \$10,000 (converted at official rate of exchange) the maximum amount the individual may borrow from the Caja.
3. Lend up to 100 percent of total value of purchases of domestic purebred bulls or imports of livestock to individuals, firms or organizations making such purchases.

An additional provision of the decree establishes an exemption from the tax on net capital assets to importers of purebred bulls. From the effective date of the decree, the importer may deduct the value of such animals from his taxable assets for a period of 5 years following importation.

The decree appears to have been announced to counteract unfavorable farm reaction to recent Government anti-inflationary measures such as the establishment of the coffee export charge, the removal or easing of restrictions on certain agricultural imports, and the bulk importation by Government agencies of a number of basic food commodities.

Colombian Government Agency Authorized to Import Foodstuff Free of Taxes and Duties -- The Colombian Government Agency COFRA (Corporation for the Defense of Agricultural Products) has been authorized by Government Decree No. 2113 of July 12, 1954 to import free of taxes and duties the following; about 73 thousand bushels of wheat, 6.6 million pounds of rice, up to 2.2 million pounds of dry beans and about the same quantity of lentils. Negotiations had already been completed and contracts signed for the purchase of all of these commodities, except part of the beans and lentils, before the issuance of the July 12 Decree. It is possible that an additional few hundred tons each of dry beans and lentils will be purchased under the authority of the Decree.

According to Corporation officials the wheat was purchased from Canada, the rice from Ecuador, the beans from the United States, and the lentils from Argentina.

Increased Trade Activity in Uruguay -- Exports from Uruguay during the second quarter of the year showed a substantial increase over earlier months. The most encouraging sign to the Uruguayan is the increasing interest in wool shown by United States purchasers. In June, the United States became the principal purchaser of Uruguayan wool for the first time this season (season begins October 1).

Because of the increased exports, Uruguay has opened an import quota of more than \$21 million for essential goods. It has further liberalized trading conditions by giving official endorsement to "switch" operations whereby currency allocated for imports of goods from a given country can be used for similar imports from a third country.

The United States' and Canada's share in the newly opened import quota is slightly over \$1 million. Although this is not a large figure, it does indicate some easing of Uruguay's dollar position, for, Uruguay has generally been authorizing the expenditure of soft currencies for imports of these goods.

It is significant to note that the Soviet Bloc has a larger share of the import quota than the United States and Canada combined. Russia has been given \$495,000 in soft currencies and the other Bloc countries \$657,000 under the current import quota. Russia is increasing in importance as a purchaser of Uruguay's products and because of this it is likely that additional import quotas for the Soviet Union will be authorized during the coming months.

New Zealand Liberalizes Import License Program -- On July 29, New Zealand announced a more liberal import licensing program for the calendar year 1955. Although complete details are not yet available, it is expected that it will be possible to import crawler tractors, canned fish, dried prunes and certain specified manufactured items from the United States without licenses.

All trade in other commodities from the United States and certain designated countries will continue to be regulated, but the Government is expected to take a more liberal attitude toward granting licenses in the coming year. It is not expected that this action by the New Zealand Government will lead to a spectacular increase in imports from the dollar area, but it should result in 1955 in a moderate rise in the value of imports and a wider range of goods.

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